

REMARKS**Status of the Claims**

Claims 1-20 are currently presented in the Application, and claims 1, 8, and 14 are independent claims. No claims have been amended, cancelled, or added in this Response.

Drawings

Applicants wish to thank the Examiner for withdrawing the objections to drawings.

Claim Rejections Under 35 U.S.C. § 101

Applicants wish to thank the Examiner for withdrawing the previous rejections to claims 1-7 made under 35 U.S.C. § 101.

Claim Rejections – Alleged Obviousness Under 35 U.S.C. § 103

Claims 1-20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Paizis, U.S. Patent No. 6,338,042 in view of "The 1999 U.S. National Employee Relationship Benchmark Report" by the Walker Information Global Network (hereinafter Walker). Applicants respectfully traverse the rejections under 35 U.S.C. § 103(a).

Applicants teach and claim a method, system, and computer program product for analyzing attrition risks for employees. As shown in detail in Figures 7 and 8 of Applicants' specification, attrition risk is ***determined separately for each employee***. Each individual employee is also assigned to a risk quadrant. Using amended, independent claim 1 as an exemplary claim, Applicants include the following elements in independent claims 1, 8, and 14:

- receiving risk planning factor data from a user, the risk planning factor data corresponding to one or more selected employees;

- storing the risk planning factor data in employee profile data areas, wherein each employee profile data area corresponds to one of the selected employees;
- retrieving actual employment data for each of the selected employees in the employee profile data areas; and
- analyzing attrition risk for each of the selected employees using the risk planning factor data and the actual employment data, wherein the attrition risk is individually analyzed for each of the selected employees.

Paizis purports to teach a method and apparatus for incorporating competency and contribution measures into pay decisions (see Abstract). The Examiner notes that Paizis does not focus on the risk of employee attrition (see Office Action, page 5, lines 14-15). Rather, Paizis is concerned with ranking employees in order to determine the amount of each employees' pay raise (col. 6, line 23 through col. 7, line 40). Applicants teach and claim analyzing attrition risk for employees, which, at some point, may ultimately result in raising an employee's salary, but also involves much more than simply increasing salaries. Paizis does not appear to be concerned with analyzing attrition risk as taught and claimed by Applicants.

The Examiner admits that Paizis does not teach "analyzing attrition risk" as taught and claimed by Applicants, and thus uses Walker in further support of the rejection. However, Walker is a national and global report on Employee Loyalty. As stated in Walker:

Conducted by Walker Information and Hudson Institute, the 1999 Employee Relationship Benchmark Report represents the attitudes and experiences of US workers from business, government, and non-profit organizations in conterminous forty-eight states. Participants were full- or part-time workers, at least eighteen years old, and from organizations of at least fifty employees. 2,293 self-administered questionnaires were returned out of 3,075 mailed, for an

atypically high response rate of 75%. The sampling plan represented a cross section of industries, and final total results were weighted to be proportionate according to US labor statistics. Survey results were collected in April and May of 1999.

It is clear that Walker is discussing a survey of employee loyalty. The survey results are discussed throughout Walker, as they apply to large groups of employees. On the fourth page of Walker (in the section titled "Assessing Employee Commitment in Your Organization"), the reference notes "[i]n most cases, you can learn what drives loyalty **across your entire workforce** for less than the cost of replacing a single employee" (emphasis added).

Walker is not concerned with, and does not address the issue of, analyzing attrition risk on an individual basis for individual employees. In particular, Walker does not teach or suggest "**analyzing attrition risk for each of the selected employees**" using the risk planning factor data and the actual employment data, ***wherein the attrition risk is individually analyzed for each of the selected employees,*** as taught and claimed by Applicants in independent claims 1, 8, and 14. Walker is concerned with overall statistics pertaining to employee loyalty across large groups of people, and not with analyzing the attrition risk of each individual employee.

The Examiner states that the survey (i.e. Walker) "collects data from employees regarding their loyalty to the employers (i.e., their intent to stay with their employer), thus analyzing attrition risk for each of the survey participants (the "selected" employees)" (see Office Action, page 3, lines 1-3). Applicants respectfully disagree. Collecting data from large groups of employees is not the same as analyzing attrition risk, on an individual basis, for each employee. Analysis involves more than simply collecting data. Applicants also note that the language used in Walker makes it clear that Walker is discussing generalities, not individual employees. For example, in the section titled "Higher employee commitment leads to higher likelihood of positive behaviors," Walker states that its "model-based survey methodology enables us to

make predictions about the future behavior of the employees who responded." Walker goes on to state that "**[a]bout** one in four employees surveyed (24%) are Truly Loyal" (emphasis added). Walker's "prediction" about the future behavior of employees is clearly not an individual analysis of attrition risk for a selected employee, rather it is a generalization that **about** one in four employees is truly loyal. Similar language is used throughout Walker, making it very clear that Walker is talking about estimates of employee loyalty, across large groups of employees, in various industries. A survey that tells an employer approximate percentages of employees who may feel a certain way may be useful, but it does not tell the employer anything about the attrition risk for a particular, individual employee. Walker simply is not concerned with, and does not teach or suggest, "**analyzing attrition risk for each of the selected employees** using the risk planning factor data and the actual employment data, **wherein the attrition risk is individually analyzed for each of the selected employees,**" as taught and claimed by Applicants in independent claims 1, 8, and 14.

For the reasons set forth above, Applicants respectfully submit that independent claims 1, 8, and 14, and the claims which depend from them, are patentable over Paizis in view of Walker.

Notwithstanding the patentability of claims 2, 9, and 15 based on the above discussion, Applicants further address the additional elements found in these dependent claims. Using claim 2 as an exemplary claim, claims 2, 9, and 15 include the following elements:

- retrieving motivators and inhibitors included with the risk planning factor data corresponding to the selected employees;
- calculating a flight risk for each of the selected employees based on the motivators and inhibitors, wherein the flight risk is individually calculated for each of the selected employees;

- retrieving contribution data included with the actual employment data corresponding to the selected employees; and
- assigning a risk quadrant from a plurality of risk quadrants to each of the selected employees based on the flight risk and contribution corresponding to each selected employee.

Neither Paizis nor Walker teaches or suggests “calculating a flight risk” for each individual employee. Further, neither Paizis nor Walker teaches or suggests “assigning a risk quadrant” to each employee based on the individually calculated flight risk and contribution corresponding to the employee. As discussed in detail above, Walker discusses, in general terms and across a large number of employees, the percentage of employees who feel loyal to a company and what percentage of employees are likely to leave a company. However, neither of the cited references, either alone or in combination, teaches or suggests calculating a flight risk on an individual employee basis, and then using the flight risk for each individual employee, to assign the employee to a risk quadrant. As discussed above, Walker is concerned with estimates of employee loyalty, across large groups of employees, in various industries.

Applicants further note that claims 2, 9, and 15 specifically claim that a flight risk is calculated for each selected employee, “based on the motivators and inhibitors,” i.e. those “motivators and inhibitors included with the risk planning factor data corresponding to the selected employees.” While the cited references may discuss motivators and inhibitors in general terms, neither Paizis nor Walker discloses ***retrieving*** motivators and inhibitors ***included with risk planning factor data*** for a particular employee, and then ***using*** those motivators and inhibitors to ***calculate*** a flight risk for that particular employee, as taught and claimed by Applicants. Walker is a simple survey that asks employees to answer general questions regarding their loyalty to their employer. Walker does not perform any type of calculation using motivators and inhibitors, and certainly does not calculate a flight risk for an individual employee using

motivators and inhibitors included as part of risk planning factor data for that particular employee, as taught and claimed by Applicants.

For the reasons set forth above, Applicants respectfully submit that claims 2, 9, and 15 are patentable over Paizis in view of Walker.

Conclusion

As a result of the foregoing, it is asserted by Applicants that the remaining claims in the Application are in condition for allowance, and Applicants respectfully request an early allowance of such claims.

Applicants respectfully request that the Examiner contact the Applicants' attorney listed below if the Examiner believes that such a discussion would be helpful in resolving any remaining questions or issues related to this Application.

Respectfully submitted,

By /Leslie A. Van Leeuwen, Reg. No. 42,196/
Leslie A. Van Leeuwen, Reg. No. 42,196
Van Leeuwen & Van Leeuwen
Attorneys for Applicant
Telephone: (512) 301-6738
Facsimile: (512) 301-6742